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United States Department of the Interior

BUREAU OF LAND MANAGEMENT FILLMORE FIELD OFFICE 35 East 500 North Fillmore, Utah 84631 TAKE PRIDE

In Reply Refer to: 3610 (UT-010) UTU-079837 RECEIVED
JUN 1 6 2008

DIV. OF OIL, GAS & MINING June 13, 2008

Certified Mail # 7008 0150 0001 3253 2191 Return Receipt Requested

Jean Smith 65 S. 500 W. Delta, UT 84624

Dear Ms. Smith:

On October 2, 2002 you entered into a Contract for the Sale of Mineral Materials with the Fillmore Field Office (FFO) of the Bureau of Land Management (BLM). The sale was for 2000 ton of stone for the purchase price of \$16,998.00. To date payments on the contract equal \$1,357.00; leaving \$15,641 due on the contract.

On January 25, 2007 you were sent a letter indicating that at the rate of removal it would be unlikely that you would be able to fulfill the contract and that with approval of both parties, the contract could be cancelled. In subsequent communication with the FFO Geologist, Jerry Mansfield, you indicated you wanted to cancel the contract which would also require that the site be reclaimed. A recent inspection of the site revealed that the site is yet to be reclaimed.

The contract expired on October 2, 2007. The contract required that the total purchase price be received by this office 60 days prior to expiration. Without reclamation of the site the terms of the contract may be reinstated and would require a final payment from you of \$15,641.00 and a forfeiture of your bond of \$1,700.00. The recent inspection revealed that the cost for BLM to reclaim the site would be \$3,541.00; you would be required to pay the difference of your bond and the reclamation cost to BLM.

In order for the contract cancellation to hold, reclamation of the site must be completed in September or October of 2008 with seeding of the area; fall seeding is found to be the most effective. Upon completion of reclamation, including contouring and seeding or if you have any questions concerning this matter, please contact Jerry Mansfield, Geologist at, (435) 743-3125.

Sincerely,

Mary J. Aller Sherry K. Hirst, Field Office Manager

Jean Smith cc: PO Box 249

Delta, UT 84624

Tom Munson

UDOGM

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